Alabama Medicaid Agency

501 Dexter Avenue
P.O. Box 5624
Montgomery, Alabama 36103-5624
www.medicaid.alabama.gov
e-mail: almedicaid@medicaid.alabama.gov
Telecommunication for the Deaf: 1-800-253-0799
334-242-5000   1-800-362-1504

BOB RILEY
Governor

CAROL H. STECKEL, MPH
Commissioner

September 10, 2009

Mr. David Blumenthal, MD, MPP
National Coordinator for Health Information Technology (ONC)
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC. 20201

Dear Mr. Blumenthal:

On behalf of the State of Alabama, I am pleased to notify the Office of the National Coordinator for Health Information Technology of our intent to apply for funding under the Health Information Exchange Cooperative Agreement Program, EP-HIT-09-001; CFDA Number 93-719.

In applying for this funding, it is our goal to advance the adoption and meaningful use of electronic health records by a diverse group of health care providers in order to improve the quality, safety and efficiency of health care delivered in the state of Alabama. At the same time, it is our intent to build the necessary capacity to meet long term goals for local, state, regional and national interoperability and health information exchange in all five essential domains.

This opportunity comes at a pivotal time in Alabama's history. Since January 2007, the Alabama Medicaid Agency has led a broad-based effort to transform the state's fragmented claims and process-oriented system into one that is coordinated, patient-centered and cost-efficient. Now, the lessons learned from this initiative, known as *Together for Quality* (TFQ), position our state to move forward to expediently and effectively to develop the statewide policy, governance, technical infrastructure and business practices needed to support both the delivery of HIE services and providers' ability to meet meaningful use criteria.

Below find more specific information regarding our proposed project:

Description of Proposed Project: Alabama's vision is to build upon the current infrastructure to connect with additional sources of information and to give providers the ability to exchange multiple layers of information among themselves and with others to drive quality improvement in the care provided to the citizens of Alabama. We envision this being accomplished by a broad-based group of stakeholders. In addition, our strong collaboration with the Regional Extension Center applicant will facilitate the education component to providers that will be necessary in helping them understand the goals of Alabama's HIE plan.

Through the TFQ initiative, Alabama Medicaid has created a web-based electronic health record system that compiles claims-based information from both Alabama Medicaid and Blue Cross Blue Shield of

Alabama as well as certain physician-entered clinical information. This information is available through an end use application known as QTool or through uni-directional CCD exchange.

Alabama's current HIT system is a hybrid model, with Medicaid data centralized and other data sources pulled in at the time of query. This information is then compiled and pushed out through an end use application or through a summary CCD. It is our plan to build upon our current system to accept queries from multiple, virtually-connected health information exchange entities such as EMRs, hospitals, labs, imaging centers, and other payers. In addition, the system will query all centralized data and then use the record locator to intelligently send off queries to all known virtually connected systems (HIE Entities) that may have data on a patient and to either 1) display it or 2) send it to the requesting system.

It is anticipated that while the technology may be the easiest part to implement, the business rules and policies surrounding "meaningful use" of the information will present the biggest challenges. The State is in the process of establishing a Governor appointed broad-based committee to begin the transition process from the auspices of the Medicaid Transformation Grant (TFQ) to the larger vision of statewide HIE. Governance is a priority for this committee. The existing stakeholder council as well as the subcommittees that have been formed through TFQ will be instrumental and the foundation for this committee in working through these type issues.

State Plan Development: The state has begun the very preliminary work of developing its Strategic and Operational Plans. The State will participate in the upcoming NGA-sponsored State Alliance for e-Health 2nd Annual State Learning Forum workshop which will help frame the plans. In addition, the State's extensive work through *TFQ* has yielded valuable lessons regarding HIT implementation and adoption within our State (http://www.commonwealthfund.org/Content/Newsletters/Quality-Matters/2009/July-August-2009/Case-Study.aspx). It is anticipated that, by the time of actual application, the framework for both plans will have begun allowing for expedited implementation.

State/Territory Covered in Application: Our application will encompass the State of Alabama.

Primary Contact: Alabama Governor Bob Riley has designated the Alabama Medicaid Agency as the state HIT lead. The primary point of contact is:

Kim Davis-Allen, Director
Transformation Initiatives
Alabama Medicaid Agency
P.O. Box 5624
Montgomery, AL 36103-5624
Office (334) 242-5011 Cell (334) 328-0504
Kim.davis-allen@medicaid.alabama.gov

Other Key Personnel: The backup person for the primary point of contact is Kathy Hall, Deputy Commissioner, Program Administration, (334) 242-5007, Cell (334) 324-6097, Kathy.Hall@medicaid.alabama.gov.

Participating Stakeholders: When the TFQ project began in 2007, the first activities of the TFQ stakeholder group was to begin quantifying the vision for the State and what it would take to make that vision a reality. This visioning effort was further refined in a HIE Summit held on August 28, 2009.

As mentioned above, building upon the successful framework of TFQ, the Agency will blend the existing TFQ Stakeholder Council and Steering Committee and a subset of HIE leaders and early adopters to work through key governance and other issues and to champion provider adoption and meaningful use.

The subset consists of approximately 120 persons representing state Health and Human Service agencies (Public Health, Senior Services, Human Resources, Mental Health, Children's Rehabilitation Services, Children's Affairs), the Alabama Primary Health Care Association, the Medical Association of the State of Alabama, the Alabama Chapter of the American Academy of Pediatrics, the Alabama Academy of Family Practice, the Alabama Hospital Association, state universities, the state's two medical schools and private providers.

It is envisioned that the existing workgroups utilized for TFQ will be re-engaged for the Alabama plan. The initial workgroups are Legal/Privacy; Technical; Finance; Policy and Clinical. In keeping with the indentified five domains for statewide HIE, these workgroups may be re-organized and re-chartered to address upcoming functions.

Application for a Regional Center: The Alabama Medicaid Agency is not pursuing a Regional Extension Center Cooperative Agreement but is heavily involved with the state designated entity, the University of South Alabama, Center for Strategic Health Innovation which is applying on behalf of the State. Both parties, including all stakeholders, are committed to the concept that unless physicians are truly educated and engaged in the practice of health information exchange, the system will not achieve the end goal of improving the quality and efficiency of health care.

Name and Title of this Funding Opportunity: American Recovery and Reinvestment Act of 2009, State Grants to Promote Health Information Technology Planning and implementation Projects, EP-HIT-09-001; CFDA Number 93.917.

State's Progress, Including Regional Leverage, in each of the Five Domains:
Legal and HIE Capacity: The State currently has in place the necessary legal agreements to receive information from Blue Cross Blue Shield as well as agreements in place with those providers accessing QTool information. We have exercised the "opt-out" policy for patients. Further work is being done to encompass the actual interface of information with EMR vendors and we are beginning to indentify the necessary legal requirements for bi-directional exchange of information.

Governance Capacity: Currently, QTool is governed through the TFQ Stakeholder Council with the Agency holding ultimate responsibility.

Business and Technical Operations: The State has used existing Agency resources in implementing the goals and objectives of our Together for Quality Program. Through this, there have been valuable lessons learned especially in recognizing the need to have dedicated resources in developing and implementing wide spread HIE as well as the need for a plan with quantifiable milestones of achievement.

Technical Infrastructure Capacity: The technical system is developed to pull and combine information. By the end of the year, bi-directional capability will be accomplished.

Finance Capacity: The issue of sustainability is vital to the success of HIE in Alabama. Work to date has been accomplished through Medicaid Transformation grant funds. As we look to the future, the State recognizes the need for stakeholders to recognize the "value" of the services that can be offered through a HIE.

Leveraging Existing Regional Resources: Alabama is unique in that there are no managed care programs or established RHIOs, although there are a few informal HIE "communities" operating within the State. Alabama recognizes the need to build on existing, successful resources in order to be operational as quickly as possible. Alabama has not begun drafting a formal statewide HIE plan; however, the first step will be to determine what existing resources are operational and also may be in the planning stages. The initial thought process is to connect with those regional resources that already have established some form of exchange within their "community" (not necessarily a geographic community – more like a medical system community).
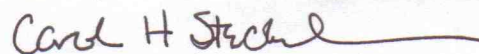
Support Public Interest: The benefits of HIE are best illustrated in times of crisis and our system will have the objective of meeting public health needs at the forefront of our plan. One of TFQ's original goals was to provide a framework for exchange of information in the wake of natural disasters such as Hurricane Katrina. The benefits of fast, dependable and interoperable data exchange is obvious. And, as the H1N1 flu virus spreads worldwide, new and powerful uses for health information to identify and address critical public health issues compel our State to make HIE available as quickly as possible to the maximum number of providers, within the State and beyond.

Alabama is committed to the goals and objectives of HIE. When explaining the concept of what it can mean, the simple example of "one patient, one record, regardless of payer, regardless of provider" is used. Think of HIE as a highway. On that highway are a variety of cars, trucks, trailers, all of varying shapes, sizes and colors. The information is there, Alabama just needs to build that highway to move health information among stakeholders. Through our transformation work, we have built many small roads. Now is the time to connect. In partnership with the Regional Extension Centers, who will be teaching providers to drive their vehicles on this highway, Alabama can lead the way in a truly connected system of information used to improve health care outcomes for our citizens.

Through HIE, a system of coordinated record keeping, clinical competency, quality focused, efficient health care can be achieved. But it can only be achieved through a collective, national recognition of the challenges that will be faced and the commitments needed to see it through. We are all patients and we all deserve our "one record."

Alabama is truly excited about the possibilities that this funding will allow in furthering the work already started under our Medicaid Transformation Grant, Together for Quality.

Sincerely,

Carol H. Steckel, MPH
Commissioner

CHS: kd